GOVERNMENT OF INDIA
STEEL
LOK SABHA

STARRED QUESTION NO:264
ANSWERED ON:11.12.2006
MODERNISATION OF STEEL PSUS
Chakraborty Shri Ajay;Ponnuswamy Shri E.

Will the Minister of STEEL be pleased to state:

(a) Whether the Government has finalised any programme for modernisation and restructuring of steel units in the public sector ;

(b) If so, the details thereof ;

(c) The expenditure involved therein and the funds allocated/proposed to be allocated therefor; and

(d) The plan proposed to rehabilitate the displaced employees as a result thereof ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS & FERTILIERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a)to(d): A Statement is laid on the Table of the Lok Sabha.

STATAEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO.264 TO BE ANSWERED ON 11TH DECEMBER, 2006 TABLED BY S/SHRI AJOY CHAKRABORTY AND E. PONNUSWAMY, MEMBERS OF PARLIAMENT REGARDING MODERNISATION OF STEEL PSUs

(a)to(c) : Yes, Sir. Both the steel-making companies under the administrative control of the Ministry of Steel, i.e. the Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) are undertaking ambitious modernization and expansion plans. The Steel Authority of India Limited proposes to modernize and expand its annual production from the present level of 14.6 million tonnes (2005-06) of hot metal to 22.9 million tonnes of hot metal by the year 2010 at an estimated cost of Rs. 37,000 crores. Besides capacity enhancement, the growth plan also includes reducing technological obsolescence, ensuring energy savings, enriching product mix, pollution control, developing mines & collieries to meet higher requirement of key inputs, introducing customer centric processing and inducting matching infrastructure facilities in the plant to support higher production.

The Rashtriya Ispat Nigam Limited proposes to enhance its capacity from the present level of 3.4 million tonnes of hot metal to 6.5 million tonnes per annum by the year 2009 at an estimated cost of Rs. 8692 crores.

The expenditure involved in these programmes is proposed to be funded by the PSUs from their own internal resources and supplemented by market borrowings, as required.

(d)The displacement of employees as a consequence of modernization is not envisaged either in SAIL or in RINL. It is proposed to train and redeploy existing employees to adopt new technologies and processes arising from the modernization and expansion programmes.